

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

IN RE:	:	
	:	
INTERSTATE SAVINGS, INC. t/a	:	Chapter 7
ISI TELECOMMUNICATIONS,	:	
	:	Case No. 95-11365 (BIF)
Debtor.	:	
	:	

**MOTION FOR RELEASE OF UNCLAIMED FUNDS FROM THE
REGISTRY OF THE COURT TO CHAPTER 7 TRUSTEE
FOR THE ESTATES OF WINSTAR COMMUNICATIONS, INC.**

Christine C. Shubert, the chapter 7 trustee (the “Trustee”) for the estates of Winstar Communications, Inc. *et al.* (the “Winstar Entities”), respectfully requests the release of funds being held in the Court’s Registry in the amount of \$57,741.27 (the “Motion”). In support of this Motion, the Trustee states as follows:

1. On February 23, 1995, Interstate Savings, Inc. t/a ISI Telecommunications (“Interstate Savings”) filed a voluntary petition under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Court converted the case to a case under chapter 7 of the Bankruptcy Code on or about June 4, 1996.

2. On January 24, 2008, the chapter 7 trustee, John T. Carroll III, filed with the Court a Praecipe Identifying Trustee's List of Entities Entitled to Unclaimed Funds in Chapter 7 Liquidation Filed Pursuant to Bankruptcy Rule 3011 in Connection with Trustee's First Interim Distribution [Docket No. 978]. The list included funds unclaimed by creditor, Midcom Communications, Inc. (“Midcom”),¹ in the amount of \$49,896.99.

3. On May 8, 2008, the chapter 7 trustee, John T. Carroll III, filed with the Court a Praecipe Identifying Trustee's List of Entities Entitled to Unclaimed Funds in Chapter 7

¹ The correct name is Midcom Communications, Inc. although it is listed as Midcom Communication, Inc.

Liquidation Filed Pursuant to Bankruptcy Rule 3011 in Connection with Trustee's Final Distribution [Docket No. 984]. The list included funds unclaimed by creditor, Midcom, in the amount of \$7,844.28.

4. The total unclaimed funds to which Midcom is entitled is \$57,741.27.

5. On January 21, 1998, Midcom's assets were transferred to the Winstar Entities. *See* Affidavit of Charles N. Persing submitted with this Motion.

6. On April 18, 2001, the Winstar Entities filed petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. On or about January 24, 2002, the Court entered an Order converting the Winstar Entities' chapter 11 cases to cases under chapter 7 of the Bankruptcy Code. On January 28, 2002, Christine C. Shubert was appointed as Trustee in the Winstar Entities chapter 7 cases, which appointment remains in effect.

7. By order entered on October 31, 2008, the Bankruptcy Court authorized the Trustee's employment of C&W Consultants, Inc. ("C&W") as her special consultants for the limited purpose of pursuing and recovering certain remnant, residual, unknown and difficult-to-monetize assets of the Winstar Entities' estates. C&W discovered that Midcom's unclaimed funds remained in the Court's registry with respect to Interstate Savings.

8. The Trustee submits that the estates for the Winstar Entities are the owners of any unclaimed funds earmarked for Midcom. *See* Affidavit of Charles N. Persing submitted with this Motion.

9. By this Motion, the Trustee seeks the release of the funds to which Midcom is entitled in the amount of \$57,741.27.

10. The Trustee has served notice of this Motion upon the Chapter 7 trustee, John T. Carroll III and the Office of the United States Trustee.

WHEREFORE, the Trustee respectfully requests that the Court order the release of funds in the amount of \$57,741.27 by check made payable to "Christine Shubert, Chapter 7 Trustee" and sent to Fox Rothschild LLP, 2000 Market Street, Tenth Floor, Philadelphia, PA 19103, attn: Magdalena Schardt, Esquire; and any other relief the Court may deem just and appropriate.

Respectfully submitted,

FOX ROTHSCHILD LLP

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Attorneys for Christine C. Shubert, Chapter 7 Trustee
for Winstar Communications, Inc., *et al.*

Dated: September 16, 2009